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LISTING STATEMENT No. 2084

LISTED NOVEMBER 3, 1961

263,543 common shares without par value, of which

99,684 are subject to issuance

Ticker abbreviation "ICD"

Post Section 11

NOV 30 1961

TORONTO STOCK EXCHANGE

LISTING STATEMENT

INTER-PROVINCIAL COMMERCIAL DISCOUNT CORPORATION LIMITED

Incorporated under the laws of the Province of Ontario, July 20th, 1956.

COMMON SHARES WITHOUT PAR VALUE

COMMON SHARE PURCHASE WARRANTS

(Transferable in Toronto and Montreal)

CAPITAL SECURITIES AS AT SEPTEMBER 11th, 1961

	AUTHORIZED	ISSUED AND FULLY PAID	TO BE LISTED
5% Non-voting convertible Preference Shares of the Par Value of \$5.00 each	100,000	75,704	nil
Common Shares without Par Value	364,000	163,859	263,543*
*of which 99,684 are subject to issuance, 23,980 upon exercise of Common Share Purchase Warrants, and 75,704 upon conversion of preference shares.			

FUNDED INDEBTEDNESS

6¾% Sinking Fund Secured Collateral Trust Notes due August 1st, 1976	\$1,000,000	\$1,000,000
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The Company has covenanted to establish a sinking fund of \$67,000.00 per annum commencing on August 1st, 1962. Notes of this series may be acquired in satisfaction, in whole, or in part of such sinking fund.

7½% Sinking Fund Debentures due November 1st, 1975	\$ 500,000	\$ 460,000
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The Company has covenanted to establish a sinking fund of \$30,000.00 per annum commencing on November 1st, 1961, and it has met its obligations for 1961, through the purchase and cancellation of \$40,000.00 par value of these debentures. Debentures of this series may be acquired in satisfaction, in whole, or in part of such sinking fund.

1. APPLICATION

INTER-PROVINCIAL COMMERCIAL DISCOUNT CORPORATION LIMITED (herein sometimes called "the Company") hereby makes application for listing on the Toronto Stock Exchange of 263,543 Common Shares without par value of the capital stock of the Company, of which 163,859 are issued and outstanding as fully paid and non-assessable; 23,980 common shares without par value are reserved for issue upon exercise of Common Share Purchase Warrants, and 75,704 Common Shares without par value are reserved for issue upon exercise of the conversion rights in respect of the 75,704 issued and outstanding 5% Non-voting convertible Preference Shares; and request 23,980 Common Share Purchase Warrants be posted for trading.

2. REFERENCE TO PROSPECTUS

Reference is made to the Prospectus issued by the Company under date of November 15, 1961, in respect of short term secured collateral Trust Notes, a copy of which Prospectus is hereby incorporated herein and made a part hereof.

3.

OPINION OF COUNSEL

Wolfe D. Goodman, 85 Richmond Street West, Toronto, Ontario, Counsel for the Company, is filing in support of this application an opinion stating among other things that:

- (i) the Company has been duly incorporated and is a valid and subsisting Company in good standing under the laws of Ontario, and
- (ii) 163,859 Common Shares without par value have been validly allotted and issued and are outstanding as fully paid and non-assessable, and
- (iii) 23,980 Common Shares without par value are reserved for issue upon exercise of Common Share Purchase Warrants and 75,704 Common Shares without par value are reserved for issue upon exercise of the conversion rights in respect of the 75,704 issued and outstanding 5% non-voting convertible Preference Shares.
- (iv) 23,980 Common Share Purchase Warrants have been validly allotted and issued and are outstanding as fully paid and non-assessable. Each of the said Common Share Purchase Warrants entitles the holder thereof to purchase one Common Share without par value of the capital stock of the Company at the following prices:
 - \$2.00 per share up to and including August 1, 1964
 - \$3.00 per share up to and including August 1, 1966
 - \$4.00 per share up to and including August 1, 1969
- (v) 75,704 5% non-voting convertible Preference Shares with a par value of \$5.00 each have been validly allotted and issued and are outstanding as fully paid and non-assessable. Each of the said 5% non-voting convertible Preference Shares entitles the holder thereof to convert the said share into a fully paid and non-assessable Common Share of the Company. Such conversion rights are exercisable up to and including November 1, 1965.

4.

LISTING ON OTHER STOCK EXCHANGES

The Company has not made application for listing of its shares on any Stock Exchange other than the Toronto Stock Exchange.

5.

STATUS UNDER SECURITIES ACT

The offering of 30,000 Common Shares without par value for sale in the Province of Ontario was duly approved and authorized.

6.

FISCAL YEAR

The fiscal year of the Company ends on July 31st in each year.

7.

ANNUAL MEETING

The Annual General Meeting of the Shareholders of the Company is held on such day in each year as the Board of Directors may determine. The last Annual Meeting of the Company was held on November 15, 1961.

8.

HEAD OFFICE

The head office of the Company is at 1541 Davenport Road, Toronto, Ontario.

9.

TRANSFER AGENT AND REGISTRATION

The Canada Trust Company at its main offices in the Cities of Toronto and Montreal.

10.

TRANSFER FEE

No fee is charged on the transfer of the Common Shares without par value, or Common Share Purchase Warrants, other than stock transfer taxes.

11.

AUDITORS

The auditors of the Company are Messrs. Resnick, Wintraub and Co., Chartered Accountants, 2 Carlton Street, Toronto, Ontario.

12.

OFFICERS

OFFICE	NAME	HOME ADDRESS
President	Joseph Frieberg	4 Burton Avenue, Toronto, Ont.
Secretary	Robert Scolnick	23 Ava Road, Toronto, Ont.

13.

DIRECTORS

NAME	HOME ADDRESS	OCCUPATION
Joseph Frieberg	4 Burton Avenue, Toronto, Ont.	Executive
Robert Scolnick	23 Ava Road, Toronto, Ont.	Executive
Richard A. Daly, Jr.	80 Lynwood Avenue, Toronto, Ont.	Stockbroker
Thomas Herbert Gooch	19 Silverwood Avenue, Toronto, Ont.	Executive
Eric Duff Scott	66 Admiral Road, Toronto, Ont.	Stockbroker

A copy of this prospectus has been filed with the Provincial Secretary of Ontario in accordance with the provisions of the Corporations Information Act of Ontario 1953.

Inter-Provincial Commercial Discount Corporation Limited

(Incorporated under the laws of the Province of Ontario)

Secured Collateral Trust Notes

With Various Maturities of from 30 to 365 Days from Date of Issue

To be dated as of date of delivery to purchaser of individual note

The above Notes are to be issued from time to time under the terms of a Trust Indenture dated August 3rd, 1961, under which all Secured Collateral Trust Notes issued by the Company are secured by deposit by the Company with the Trustee of Acceptable Collateral having a total value of at least 125% of the aggregate principal amount of all such Notes issued and outstanding. The Notes hereby offered will rank pari passu with all other Secured Collateral Trust Notes issued under the said Trust Indenture.

The Trust Indenture dated August 3rd, 1961, under which the above Notes are to be issued, provides that no such Notes shall be issued if, at the time of issue thereof and after giving effect to such issue in the books of the Company, the aggregate principal amount outstanding in respect of all Notes secured by said Trust Indenture is in excess of four times the Equity of the Company.

Delivery of Short Term Collateral Trust Notes free of shipping charges will be made against payment at any branch in Canada of a chartered bank named by the purchaser. The Notes will be payable in lawful money of Canada at the branch of the bank at which the delivery of the Notes is taken by the purchaser. The Notes hereby offered will be available in fully registered form only and the principal amount of any Note may not be less than \$5,000. The Notes hereby offered may not be redeemed by the Company prior to maturity without the consent of the holders thereof.

TRUSTEE: MONTREAL TRUST COMPANY

These Notes are to be issued at face value as interest-bearing notes at varying rates and maturities.

If required by purchasers and subject to the approval of the Company, the Notes hereby offered will also be issued as non-interest-bearing Notes at a discount, at varying rates.

Rates on Application

The Company reserves the right to withdraw this offer or to vary its terms at any time without prior notice.

We, as agents, offer these Secured Collateral Trust Notes subject to confirmation and subject to approval of all legal matters on behalf of the Company by Wolfe D. Goodman, Barrister and Solicitor, Toronto, and on our behalf by Messrs. Zimmerman, Haywood, Turville & Chambers, Barristers and Solicitors, Toronto.

The information which follows has been supplied by Mr. Joseph Frieberg, President of Inter-Provincial Commercial Discount Corporation Limited:

The Company

Inter-Provincial Commercial Discount Corporation Limited was incorporated on July 20, 1956, to carry on business as a commercial finance company. The principal activity of the company is making loans to manufacturers, wholesalers and distributors against the security of their accounts receivable. In lending against the security of accounts receivable, the Company purchases the accounts with full recourse at an average of 85% of their value less financing charges and the remaining 15% is held as a reserve against possible losses. Although this type of commercial financing is a comparatively new form of business undertaking in Canada, it has been carried on for many years in the United States. It is estimated that the volume of business of this type of financing in the United States reached a record of \$8,750,000,000 in 1959, the latest year for which figures are presently available. Being one of the first Canadian companies in this type of business, Inter-Provincial Commercial Discount Corporation Limited will have the opportunity to share in this growth field.

Purpose of Issue

The growth of the Company's business is apparent from the accelerated volume of loans made by the Company in the past five years:

<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>
\$1,251,493	\$3,166,619	\$6,469,404	\$9,036,000	\$10,757,920

The Company requires its present financing to provide additional capital sufficient to enable it to increase its present volume of financing.

Capitalization

(as at September 30, 1961)

	<u>Authorized</u>	<u>Issued and Outstanding</u>
FUNDED DEBT		
6¾% Sinking Fund Secured Collateral Trust Notes due August 1, 1976.....	\$1,000,000	\$1,000,000
7½% Sinking Fund Debentures due November 1, 1975.....	\$2,000,000	\$ 460,000
CAPITAL STOCK		
5% non-voting convertible preferred shares, par value \$5.00 (convertible into common shares, share for share, until November 1, 1965).....	100,000	75,704
Common shares without par value (see Note 1)	364,000	163,899

NOTE 1: 23,940 common shares are reserved for issue upon exercise of share purchase warrants.

Earnings

The following is a summary of earnings and surplus of the Company from inception to July 31st, 1961.

Year Ended July 31	Earnings Before Interest and Taxes	Interest on Borrowed Money	Income Subject to Tax	Provision for Taxes on Income	Net Profit
1957.....	\$ 6,587	\$ 6,226	\$ 361	\$ 196	\$ 165
1958.....	47,338	28,065	19,273	5,497	13,776
1959.....	92,296	63,573	28,723	7,705	21,018
1960.....	204,880	151,492	53,388	20,088	33,300
1961.....	215,139	155,165	59,974	14,402	45,572

NOTES: (1) Taxes on income for the year have been reduced by \$8,130 through claiming for tax purposes of additional unamortized costs relative to the funded debt.

(2) Income tax returns of the Company have been assessed up to and including July 31, 1958.

(3) Exchange costs of approximately \$6,000 previously capitalized have been written off against surplus for the year ended July 31, 1961.

To the Directors,

INTER-PROVINCIAL COMMERCIAL DISCOUNT CORPORATION LIMITED,
Toronto, Ontario.

We have examined the accounts of Inter-Provincial Commercial Discount Corporation Limited and we report that, in our opinion, the above statement and notes related thereto correctly sets forth the earnings of the Company for the periods indicated.

(signed) RESNICK, WINTRAUB & Co.

Chartered Accountants.

Toronto, Ontario,
October 3, 1961

Prospects

Additional profits should be derived from the extra volume of business which should accrue as a result of the additional funds derived from the issue herein and it can be conservatively stated that the earnings for the coming year should be substantially higher than the figure for 1961.

Certain Definitions

The Trust Deed dated August 3, 1961, contains definitions of the terms "Acceptable Collateral", "Approved Securities", "Cash", "Value", "Funded Obligations", "Current Assets", "Current Liabilities", "Net Current Assets", "Term Secured Notes", "Short Term Secured Notes", "Demand Secured Notes", and "Equity in the Company", substantially to the effect of those hereinafter appearing.

Redemption

The Notes hereby offered may not be redeemed by the Company prior to maturity without the consent of the holders thereof.

Security for the Notes

In the opinion of Counsel the Notes hereby offered will be direct obligations of the Company and will rank pari passu and be secured equally and ratably (except as to Sinking Funds) with any other notes issued under the Trust Deed. The said Notes will be issued under the provisions of a Trust Deed dated August 3, 1961 between the Company and Montreal Trust Company, as Trustee.

The Notes hereby offered will be secured by

- (i) a first fixed and specific mortgage, hypothec, pledge and charge to and in favour of the Trustee on
 - (a) Acceptable Collateral deposited by the Company with the Trustee in accordance with the provisions of the Trust Deed and all renewals of the said Acceptable Collateral and substitutions therefor and all the Company's right, title and interest in and to the monies now due or hereafter to become due pursuant to the terms of the said Acceptable Collateral, renewals thereof and substitutions therefor and all the Company's right, title and interest in and to the chattels or other property in respect of which the said Acceptable Collateral, renewals thereof and substitutions therefor were given and all the Company's rights of seizure, removal and sale and all other rights of the Company incidental to or arising out of the said Acceptable Collateral, renewals thereof and substitutions therefor including without in any way limiting the generality of the foregoing any and all claims of the Company in respect of insurance on the chattels or other property aforesaid;
 - (b) All the Acceptable Collateral, renewals thereof and substitutions therefor which the Company may at any time and from time to time hereafter, pursuant to the provisions of the Trust Deed, deliver to or deposit with the Trustee subject to the fixed and specific mortgage, pledge, hypothec and charge of the Trust Deed and all the Company's right, title and interest in and to the monies to become due pursuant to the terms of the said Acceptable Collateral, renewals thereof and substitutions therefor and all the Company's right, title and interest in and to the chattels or other property in respect of which such Acceptable Collateral, renewals thereof or substitutions therefor are given and all the Company's rights of seizure, removal and sale and all other rights of the Company incidental to or arising out of the said Acceptable Collateral, renewals thereof and substitutions therefor including without in any way limiting the generality of the foregoing any and all claims of the Company in respect of insurance on the chattels or other property aforesaid;
 - (c) All Approved Securities and any other property or assets of whatsoever kind, nature or description which may at any time be granted, conveyed, assigned, ceded, transferred, mortgaged, pledged, hypothecated and charged as and by way of a first fixed and specific mortgage, pledge, hypothec, and charge to and in favour of the Trustee.
- (ii) a first floating charge to and in favour of the Trustee on its undertaking, and all its property and assets both present and future (other than such property and assets as are effectively and validly subject to the fixed and specific mortgage, pledge, hypothec, and charge); provided further that such floating charge hereby created shall in no way hinder or prevent the Company (until the security hereby constituted shall have become enforceable and the Trustee shall have determined or become bound to enforce the same) from pledging, selling, alienating, assigning, charging, disposing of or dealing with the subject matters of such floating charge in the ordinary course of its business and for the purpose of carrying on the same; and provided further that such floating charge shall in no way hinder or prevent the Company from pledging, selling, alienating, assigning or giving security or securities on the subject matters of such floating charge to any bank or banks under the Bank Act of Canada or otherwise or to any other lender or lenders in the ordinary course of the business of the Company for present or future debts or liabilities of the Company to such bank or banks or other lender or lenders as aforesaid and that any such pledge, assignment, security or securities shall rank in priority over the floating charge hereby created. And the Company covenants that save as aforesaid it will not hereafter create any mortgage, charge, lien or encumbrance upon the mortgaged premises or any part thereof ranking or purporting to rank in priority to or *pari passu* with the floating charge hereby constituted, it being specifically understood and agreed that the Company may at any time and from time to time hereafter create a further floating charge or charges in the ordinary course of business in favour of any bank or banks or any other lender or lenders as security or as further security for present or future debts or liabilities of the Company and that any such further floating charge or charges shall rank *pari passu* with the floating charge hereby created.

Covenants

The Company will covenant, in the Resolution authorizing the issue of these notes under the Trust Indenture, substantially to the effect that, so long as any of the Notes authorized by such Resolution remain outstanding:

- (1) It will at all times maintain on deposit with the Trustee subject to the first fixed and specific mortgage, pledge, hypothec, and charge hereof Acceptable Collateral or Acceptable Collateral and Approved Securities the aggregate Value of which shall be equal at least to one hundred and twenty-five percent (125%) of the total principal amount of all Secured Collateral Trust Notes for the time being outstanding; in lieu of maintaining Acceptable Collateral or Acceptable Collateral and Approved Securities with the Trustee as aforesaid, the Company may deposit with the Trustee Cash equal to at least one hundred percent (100%) of the total principal amount of all Secured Collateral Trust Notes for the time being outstanding, not secured by Acceptable Collateral or Acceptable Collateral and Approved Securities; provided that the Company will not deposit with the Trustee nor will the Trustee be required to accept:
 - (a) Acceptable Collateral payment in respect of the whole or any instalment of which is in default for more than one hundred and twenty (120) days;
 - (b) Acceptable Collateral secured as set out in subparagraphs (b), (c) and (d) of definition of Acceptable Collateral if the aggregate Value of Acceptable Collateral of such nature in the hands of the Trustee constitutes more than twenty percent (20%) of the total amount of Acceptable Collateral then in the hands of the Trustee;
 - (c) Acceptable Collateral deposited with the Trustee representing an indebtedness to the Company from any one person, form or corporation in excess of ten percent (10%) of the total amount of Acceptable Collateral deposited with the Trustee unless the Trustee shall, by an instrument in writing, agree to accept Acceptable Collateral of such nature;
- (2) It will not declare or pay any cash dividends on any of its shares at any time outstanding, or redeem, reduce, purchase or retire any of its shares at any time outstanding (except out of the proceeds of an issue of its shares made prior to, or concurrently with, any such redemption, reduction, purchase or payment, or except in exchange for any of its shares) or any Funded Obligations (except by way of mandatory retirement provisions or for the purpose of refunding such Funded Obligations at a lower net interest rate) if immediately after giving effect thereto the aggregate principal amount of all outstanding Secured Notes is greater than or would thereby exceed four (4) times the Equity in the Company;
- (3) The Company will employ not less than Seven Hundred and Fifty Thousand Dollars (\$750,000) of its Equity in the Company for the purpose of creating Acceptable Collateral, or in the purchase of machinery, equipment, automobiles or trucks to be leased to others or in the purchase of conditional sales contracts or lien notes or for the retirement of its other obligations;
- (4) The Company will procure and maintain in full force and effect at all times a policy or policies of fidelity insurance bonding against defalcations or embezzlement by any of its executive officers to the extent of not less than Five Hundred Thousand Dollars (\$500,000) and by any other employees to the extent of not less than Fifty Thousand Dollars (\$50,000).
- (5) It will not declare or pay cash dividends on any of its shares at any time outstanding, or redeem, reduce, purchase or retire any of its shares at any time outstanding (except out of the proceeds of an issue of its shares made prior to, or concurrently with, any such redemption, reduction, purchase or payment, or except in exchange for any of its shares) or any Funded Obligations (except at maturity or by way of mandatory retirement provision or for the purpose of refunding such Funded Obligations at a lower net interest rate) unless immediately after giving effect thereto the Net Current Assets of the Company shall be not less than 100% of the aggregate principal amount of all Funded Obligations to be outstanding after the application by the Trustee of any monies then held by the Trustee for sinking fund purposes or \$750,000 whichever is the greater;

Issue of Additional Secured Notes

The Trust Indenture provides for the issue of additional Secured Notes in the form of "Term Secured Notes", "Short Term Secured Notes", or "Demand Secured Notes" without limitation as to the aggregate principal amount provided that:

- (a) The Company shall have on deposit with the Trustee under the Trust Deed Acceptable Collateral and/or Approved Securities having an aggregate Value equal to at least one hundred and twenty-five percent (125%) of the aggregate principal amount of all Secured Notes to be outstanding immediately after the issue of the Secured Notes then proposed to be issued; provided that in lieu of Acceptable Collateral and/or Approved Securities the Company may have on deposit with the Trustee as aforesaid Cash equal to at least one hundred percent (100%) of the aggregate principal amount of all Secured Notes to be outstanding immediately after the issue of the Secured Notes then proposed to be issued and not secured by Acceptable Collateral or Acceptable Collateral and Approved Securities;
- (b) The aggregate principal amount of all Secured Notes to be outstanding immediately after the issue of the Secured Notes then proposed to be issued shall not exceed four (4) times the Equity in the Company.

Definitions

The following are the definitions hereinbefore referred to:

"Acceptable Collateral" means accounts receivable owing to the Company whether originally so payable to the Company or validly assigned, sold or transferred to the Company and which the Company is legally entitled (by the original terms thereof and/or by the terms of any assignment, sale or transfer thereof to the Company) to assign or encumber, being or being secured by:

- (a) accounts receivable payable in respect of goods, wares or merchandise sold by manufacturers, wholesalers, distributors, importers, processors or contractors and not by retailers;
- (b) chattel mortgages on machinery or equipment owned by manufacturers, wholesalers, distributors, importers, processors or contractors and not by retailers provided such chattel mortgages form a fixed and specific lien or charge on such machinery or equipment; and the indebtedness secured thereby is repayable in full within three (3) years of the date the same is incurred;
- (c) bonded warehouse receipts issued by a bonded warehouse covering raw materials or finished goods owned by manufacturers, wholesalers, distributors, importers, processors or contractors and not by retailers;
- (d) bonds, debentures or other evidence of indebtedness containing a fixed and specific mortgage, pledge and charge on all fixed assets and a floating charge on all other assets owned by a manufacturer, wholesaler, distributor, importer, processor or contractor provided that the indebtedness secured thereby is repayable in full within three (3) years of the date the same is incurred.

"Approved Securities" means and includes bonds or obligations of or guaranteed by the Government of Canada.

"Cash" includes any amounts represented by certificates of deposit or other acknowledgment of indebtedness of any chartered bank of Canada or by any guaranteed investment of or deposit with any trust company in Canada.

"Value" at any date of Acceptable Collateral shall mean the original face value of such Acceptable Collateral less the aggregate amount of the Acceptable Collateral, which, in accordance with the terms of such Acceptable Collateral, has been paid prior to such date or which is in default for more than one hundred and twenty (120) days.

"Funded Obligations" means any indebtedness, whether by way of bonds, debentures, debenture stock, notes (including notes of this issue) or otherwise, whether secured or unsecured, the due date of payment of which, including any right of extension or renewal is more than eighteen (18) months after the date of issue or incurring thereof.

“Current Liabilities” means the aggregate sum of all the liabilities of the Company including accounts payable, proper reserve for taxes of all kinds, bank loans and overdrafts, accrued interest, dividends (excluding dividends not payable within six (6) months from the date as of which Net Current Assets are being determined) and other accrued liabilities required to be treated as current in accordance with generally accepted accounting principles other than:

- (1) liabilities under forward commitments of purchase related to the current operations of the Company
- (2) principal, premium (if any) or sinking fund instalments (if any) in respect of the Notes issued under the Trust Deed or any other bonds, debentures or securities issued by the Company irrespective of the date specified for redemption pursuant to notice of intention to redeem any Notes issued under the Trust Deed or other bonds, debentures or securities issued by the Company
- (3) any other liability maturing more than twelve (12) months from the date as of which Net Current Assets are being determined
- (4) reserves to the extent that they are not required to provide for a reduction in the value of a current asset or to provide for a liability maturing within twelve (12) months
- (5) liabilities to shareholders in respect of capital stock and surplus
- (6) any other liabilities which, in accordance with generally accepted accounting principles, should not be included in current liabilities;

“Current Assets” means the aggregate sum of the following assets of the Company:

- (1) cash, call loans, deposits and other items which are the equivalent of cash
- (2) accounts, bills and notes receivable if payable on demand or within twelve (12) months (less such reserves for possible losses in the collection thereof as the Directors in their discretion, with the approval of the Company’s auditors, may determine)
- (3) accrued interest receivable, dividends declared (other than dividends declared by subsidiary companies) and receivable within sixty (60) days and rents and royalties receivable (less such reserves for possible losses in the collection thereof as the Directors in their discretion, with the approval of the Company’s auditors, may determine)
- (4) shares listed on a recognized stock exchange and bonds, debentures, debenture stock and other obligations having, in the opinion of the Company’s auditors, a recognized quoted market (other than those issued by the Company) valued at market
- (5) prepaid interest, insurance, rents, taxes and similar prepaid expenses
- (6) the refundable portion of any taxes repayable within one (1) year from the date as of which Net Current Assets are being determined
- (7) cash surrender value of life insurance policies payable to the Company
- (8) any other assets which in accordance with generally accepted accounting principles may properly be grouped as current assets; exclusive of any monies held by the Trustee for sinking fund purposes;

“Net Current Assets” means the excess of Current Assets over Current Liabilities.

“Term Secured Notes” means the Secured Notes of the Company maturing on a date or dates more than eighteen (18) months from the date of the Note.

“Short Term Secured Notes” means the Secured Notes of the Company maturing on a date or dates not less than thirty (30) days and not more than eighteen (18) months from the date of the Note and any renewal of any such Note for a period not exceeding eighteen (18) months from the date of maturity thereof.

“Demand Secured Notes” means the Secured Notes of the Company payable on demand issued to a bank or banks or other lenders.

“Equity in the Company” shall mean the aggregate of the paid-up capital of the Company, surplus of the Company and the aggregate principal amount of indebtedness not secured by a specific or floating charge upon any assets or property of the Company.

Inter-Provincial Commercial Discount Corporation Limited

Balance Sheet as at July 31, 1961

ASSETS

CURRENT ASSETS

Cash.....	\$ 45,273.00	
Loans and accounts receivable (including interest accrued and less allowance for doubtful accounts).....	<u>3,153,803.26</u>	
TOTAL CURRENT ASSETS.....		\$3,199,076.26

OTHER ASSETS

Fixed at cost less accumulated depreciation.....	45,045.82	
Sundry assets and prepaid expenses.....	26,391.64	
Unamortized discount and issue expenses of Sinking Fund Debentures and Secured Notes.....	<u>58,550.05</u>	
		<u>129,987.51</u>
TOTAL ASSETS.....		<u><u>\$3,329,063.77</u></u>

Approved on Behalf of the Board

(*signed*) JOSEPH FRIEBERG, PRES.
Director

(*signed*) ROBERT SCOLNICK, SEC.
Director

Inter-Provincial Commercial Discount Corporation Limited

Balance Sheet as at July 31, 1961

LIABILITIES

CURRENT LIABILITIES

Bank and other loans—secured (including U.S. funds \$515,853.66).....	\$1,879,822.43	
Income taxes payable.....	3,248.11	
Withholding tax payable.....	1,866.89	
Accounts payable.....	16,020.40	
Employees' income tax deductions.....	864.95	
	<hr/>	
TOTAL CURRENT LIABILITIES.....		\$1,901,822.78

DEFERRED

Provision for foreign exchange loss.....	12,040.10	
Unearned interest on notes receivable.....	2,871.00	14,911.10
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RESERVES

Customers' holdbacks.....		441,058.13
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FUNDED DEBT

7½% Sinking Fund Debentures Unsecured, due November 1, 1975.....	500,000.00	
Redeemed and cancelled (note 1).....	40,000.00	460,000.00
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CAPITAL AND SURPLUS

Preference Shares		
5% non voting, non cumulative, convertible redeemable par value \$5.00		
Authorized.....100,000 shares		
Issued and outstanding..... 75,704 shares.....	378,520.00	
Common Shares, no par value		
Authorized.....364,000 shares		
Issued and outstanding.....160,000 shares.....	72,000.00	
Shares to be issued re dividend		
on preferred shares..... 2,839 shares.....	2,356.37	74,356.37
	<hr/>	

	452,876.37	
EARNED SURPLUS.....	58,395.39	511,271.76
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TOTAL LIABILITIES.....		<u><u>\$3,329,063.77</u></u>

Notes to Balance Sheet as at July 31, 1961

1. The Company has covenanted with the Trustee of the holders of the 7½% Sinking Fund Debentures to provide by November 1 in each of the years 1961 to 1974 inclusive an amount sufficient to retire annually \$30,000; the Company has met its obligation for 1961 through the purchase and cancellation of \$40,000 par value of these debentures.

Auditors' Report

To the Directors,

INTER-PROVINCIAL COMMERCIAL DISCOUNT CORPORATION LIMITED,
Toronto, Ontario.

We have examined the Balance Sheet of Inter-Provincial Commercial Discount Corporation Limited as at July 31, 1961 and have made such tests of the Company's records as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly, and in accordance with the generally accepted accounting principles, the financial position of Inter-Provincial Commercial Discount Corporation Limited as at July 31, 1961 according to the information and explanations we have required and as shown by the books of the Company.

(signed) RESNICK, WINTRAUB & Co.
Chartered Accountants.

Toronto, Ontario,
October 3, 1961.

STATUTORY INFORMATION

1. The full name of the Company is Inter-Provincial Commercial Discount Corporation Limited (hereinafter called "the Company").
2. The Company was incorporated under the Corporations Act, 1953 (Ontario) by Letters Patent dated July 20, 1956. Supplementary Letters Patent were issued to the Company on May 17, 1957, August 8, 1957 and October 31, 1960.
3. The address of the head office of the Company is at 1541 Davenport Road, Toronto 4, Ontario.
4. The general nature of the business actually transacted by the Company is the commercial financing of manufacturers and wholesalers, principally by purchasing their accounts receivable with recourse.
5. The Officers and Directors of the Company are as follows:

President.....	JOSEPH FRIEBERG.....	4 Burton Road, Toronto, Ontario.
Secretary.....	ROBERT SCOLNICK.....	23 Ava Road, Toronto, Ontario.
Director.....	JOSEPH FRIEBERG.....	4 Burton Road, Toronto, Ontario.
Director.....	ROBERT SCOLNICK.....	23 Ava Road, Toronto, Ontario.
Director.....	RICHARD A. DALY, JR.....	80 Lynwood Avenue, Toronto, Ontario.
Director.....	THOMAS HERBERT GOOCH.....	19 Silverwood Avenue, Toronto, Ontario.
Director.....	ERIC DUFF SCOTT.....	66 Admiral Road, Toronto, Ontario.
6. The auditors for the Company are Resnick, Wintraub & Co., Chartered Accountants, 2 Carlton Street, Toronto, Ontario.
7. The Canada Trust Company at its main offices at Toronto and Montreal is the Transfer Agent and Registrar for the common shares and the 5% non-voting convertible preference shares of the Company.
8. The particulars of the share capital of the Company, authorized, issued and paid up as at September 30th, 1961, are as follows:

<u>Class</u>	<u>Authorized</u>	<u>Issued and Paid up</u>
5% non-voting convertible preference shares of the par value of \$5.00 each.....	100,000	75,704
Common shares without par value.....	364,000	163,899

9. The rights, conditions, restrictions, limitations and prohibitions attached to the 5% non-voting convertible preference shares and to common shares of the Company are as follows:

- (1) The holders of the preference shares shall in each year in the discretion of the board of directors, but always in preference and priority to any payment of dividends on the common shares for such year, be entitled out of any or all profits or surplus available for dividends, to non-cumulative dividends at the rate of five per cent (5%) per annum on the amount paid up thereon; if in any year, after providing

for the full dividend on the preference shares, there shall remain any profits or surplus available for dividends, such profits or surplus or any part thereof may, in the discretion of the board of directors, be applied to dividends on the common shares; the holders of the preference shares shall not be entitled to any dividend other than or in excess of the non-cumulative dividends at the rate of five per cent (5%) per annum hereinbefore provided;

- (2) In the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the preference shares shall be entitled to receive, before any distribution of any part of the assets of the Company among the holders of any other shares, the amount paid up thereon and any dividends declared thereon and unpaid and no more;
- (3) The Company may, upon giving notice as hereinafter provided, redeem at any time the whole or from time to time any part of the preference shares on payment for each share to be redeemed of the amount paid up thereon, together with all dividends declared thereon and unpaid, and where at any time some but not all of such shares are to be redeemed the shares to be redeemed shall be selected as nearly as may be in proportion to the number of shares registered in the name of each shareholder; not less than thirty (30) days' notice in writing of such redemption shall be given by mailing such notice to the registered holders of the shares to be redeemed at the address shown on the share register of the Company, specifying the date and place or places of redemption; accidental failure to give such notice to any shareholder shall not affect the validity of the redemption of any preference shares; if notice of any such redemption be given by the Company in the manner aforesaid and an amount sufficient to redeem the shares be deposited with any trust company or chartered bank in Canada, as specified in the notice, on or before the date fixed for redemption, dividends on the preference shares to be redeemed shall cease after the date so fixed for redemption, and the holders thereof shall thereafter have no rights against the Company in respect thereof except, upon the surrender of certificates for such shares, to receive payment therefor out of the moneys so deposited;
- (4) The Company may, at any time and from time to time, purchase for cancellation in the market or by private contract the whole or any part of the preference shares at the lowest price at which, in the opinion of the board of directors, such shares are obtainable but not exceeding the amount paid up thereon, together with all dividends declared thereon and unpaid;
- (5) The holders of the preference shares shall not be entitled to vote at any meetings of the shareholders of the Company but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof;
- (6) The authorization for an application for the issue of supplementary letters patent to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the preference shares or to create preference shares ranking in priority to or on a parity with the preference shares, in addition to the authorization by a special resolution, may be given by at least two-thirds (2/3) of the votes cast at a meeting of the holders of the preference shares duly called for that purpose;
- (7) At any time up to twelve (12) o'clock noon, Eastern Standard Time, on the First day of November, One thousand, nine hundred and sixty-five, except when the transfer books of the Company are closed, any holder of preference shares, not being indebted to the Company, shall be entitled to have any or all of the preference shares held by him converted into common shares of the Company on the basis of one (1) common share for each preference share which such holder may desire to convert; in order to exercise such right of conversion such holder shall deliver to the Secretary of the Company or to the Company's transfer agent and surrender the certificate representing the preference shares which he desires to convert, together with a written notice exercising such right of conversion, which notice shall state the name or names in which he wishes the certificate or certificates for the common shares to be issued and the address to which he wishes such certificate or certificates for common shares to be sent; he shall also pay any governmental or other tax imposed in respect of such transaction; the common shares resulting from such conversion shall be deemed to be fully paid and non-assessable; and after the date of surrender the preference shares shall be converted into common shares and the holders thereof shall cease to have any rights in respect thereof except the right to receive any arrears

of dividends declared and unpaid thereon and the right to receive a certificate or certificates for common shares; in the event of shares of either class being at any time subdivided or consolidated into a greater or lesser number of shares of the same or another class, appropriate adjustment shall be made in the rights and conditions attaching to the preference shares and common shares respectively so as to preserve in all respects the benefits hereby conferred on the holders of each class.

The common shares carry one vote for each share held.

10. There are no bonds, debentures, or other securities outstanding, issued or proposed to be issued which if issued will rank ahead of the securities hereby offered. The 6¾% Sinking Fund Secured Collateral Trust Notes of Series A previously issued under the terms of the Trust Deed dated August 3, 1961, and any additional Term Secured Notes, Short Term Secured Notes or Demand Secured Notes issued under the terms of the aforementioned Trust Deed will rank *pari passu* with the Notes hereby offered.

11. There is no indebtedness to be created or assumed out of the ordinary course of the business of the Company which is not shown on the balance sheet of the Company as at July 31, 1961, forming part of this prospectus, other than the Notes hereby offered. The Secured Collateral Trust Notes of Series A which were issued on August 3rd, 1961, in the face amount of \$1,000,000 are not reflected on the Financial Statement of the Company as at July 31st, 1961.

12. The only options outstanding or proposed to be given on any securities of the Company are 20,000 share warrants issued to the Purchasers of the Notes of Series A issued pursuant to the Trust Deed dated August 3, 1961, at the rate of ten (10) warrants for each \$500 principal amount of Notes of Series A and 5,000 share warrants issued to J. H. Crang & Co. and Equitable Securities Canada Limited for their services in connection with the issue of the 6¾% Sinking Fund Secured Collateral Trust Notes of Series A. The share warrants are exercisable only on or before August 1, 1969. Each share warrant will entitle the holder to acquire from the treasury of the Company one common share of the Company at the price of Two Dollars (\$2) per share if exercised on or before August 1, 1964, of Three Dollars (\$3) per share if exercised thereafter and on or before August 1, 1966 and of Four Dollars (\$4) per share if exercised thereafter and on or before August 1, 1969. As at September 30, 1961, 23,940 share purchase warrants were outstanding.

13. The correct descriptive title of the securities offered by this prospectus is as stated on the face of this prospectus to which reference is hereby expressly made. It is not possible to state the number of Secured Collateral Trust Notes offered by this prospectus. It is also not possible to state the issue price to the public of Notes that are to be issued at a discount as the amount of discount will depend upon prevailing interest rates at the time of issue and the maturity date of any particular Note. In the case of interest-bearing Notes, the issue price to the public will be the face value thereof.

Within the two preceding years the Company has issued and sold to R. A. Daly & Company Limited \$500,000 principal amount of 7½% Sinking Fund Debentures for a consideration received in cash of \$450,000 and the Company has issued and sold to J. H. Crang & Co. and Equitable Securities Canada Limited \$1,000,000 principal amount of 6¾% Sinking Fund Secured Collateral Trust Notes of Series A for a consideration received in cash of \$950,000.

14. The net proceeds to be derived from the Securities hereby offered cannot be estimated at this time since the total amount of Notes to be issued hereunder is indefinite.

15. The net proceeds of the sale by the Company will be used for general corporate purposes.

16. No minimum amount, in the opinion of the Directors, must be raised by the sale of the securities offered by the prospectus.

17. The Company has obligated itself to pay J. H. Crang & Co., Equitable Securities Canada Limited and R. A. Daly & Company Limited, its agents, or through them, to any other agent approved by them as a commission in respect of each of the Notes placed by such agent, a sum equal to eight cents (8¢) per month from date of issue to maturity of the Note in respect of each \$100 principal amount thereof.

18. The By-Laws of the Company provide that each of the Directors shall receive such remuneration as the Board of Directors shall from time to time fix by resolution.

19. The aggregate remuneration paid to the Directors of the Company as such during the last financial year ended July 31, 1961 was \$19,100 and it is estimated that their aggregate remuneration during the current financial year will be approximately \$20,000. The aggregate remuneration paid to Officers of the Company who individually received more than \$10,000 during the last financial year was \$20,000 and it is estimated that the aggregate remuneration which will be payable to such Officers during the current financial year will be \$20,000.

20. No amount has been paid within the two preceding years or is payable as a commission by the Company for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or obligations of the Company, save as is mentioned in paragraph 17 above.

21. The Company has been carrying on business since 1956.

22. The Company has not purchased or acquired nor does it propose to purchase or acquire any property, the purchase price of which is to be defrayed in whole or in part out of the proceeds of the securities offered by the prospectus except accounts receivable and obligations acquired in the ordinary course of business.

23. As the names and addresses of the debtors of accounts receivable or other obligations which may be acquired by the Company in the ordinary course of business will not be known until such accounts receivable or other obligations are acquired, such names and addresses may not be disclosed here or the amounts to be paid to each.

24. No securities of the Company have been issued or agreed to be issued by the Company otherwise than in cash within the two years preceding the date hereof.

25. The Notes offered by this prospectus will be issued under a Trust Deed dated August 3, 1961, and executed by the Company in favour of Montreal Trust Company as Trustee. In the opinion of Counsel, such Notes will be direct obligations of the Company and will be secured under or pursuant to such Trust Deed by a first fixed and specific mortgage, pledge and charge and by a first floating charge all as set out in such Trust Deed, by assignment to Montreal Trust Company as Trustee of Acceptable Collateral under the Trust Deed.

26. No services have been rendered or are to be rendered to the Company which are to be paid for by the Company wholly or partly out of the proceeds of the securities offered by this prospectus or have been within the last two preceding years or are to be paid for by securities of the Company except for legal, auditing, printing and other similar expenses.

27. No amount has been paid during the last two preceding years or is intended to be paid by the Company to any promoter.

28. The Company has entered into the following contracts during the two years preceding the date hereof other than contracts entered into during the ordinary course of business:

- (I) Agreement between the Company and R. A. Daly & Company Limited accepted October 14, 1960.
- (II) Agreement between the Company, J. H. Crang & Co. and Equitable Securities Canada Limited dated July 26, 1961.
- (III) The Agreement mentioned in paragraph 17 above respecting payment of a commission to J. H. Crang & Co., Equitable Securities Canada Limited and R. A. Daly & Company Limited.

Copies of the foregoing contracts may be inspected at the head office of the Company during ordinary business hours while primary distribution to the public of the securities offered is taking place. The business of the Company requires continual borrowings from Chartered Banks and others. Agreements regarding such borrowings are regarded as contracts entered into in the ordinary course of business carried on by the Company.

29. None of the Directors had or has any interest in any property acquired by the Company within the two years preceding the date hereof or at present proposed to be acquired by the Company.

30. The Company has been carrying on business since 1956.

31. No securities of the Company are to the knowledge of the Company held in escrow.

32. There are no other material facts not disclosed in the foregoing.

We, the undersigned Directors of Inter-Provincial Commercial Discount Corporation Limited, hereby certify that the foregoing information contains a true and correct statement of the affairs of the corporation as of this 15th day of November, 1961.

Directors

(signed) JOSEPH FRIEBERG

(signed) ROBERT SCOLNICK

(signed) THOMAS H. GOOCH

(signed) ERIC D. SCOTT

(signed) R. A. DALY, JR.

CERTIFICATE OF OFFICERS

Pursuant to a resolution duly passed by its Board of Directors, the applicant Company hereby applies for listing of the above-mentioned securities on the Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

INTER-PROVINCIAL COMMERCIAL DISCOUNT CORPORATION LIMITED



"JOSEPH FRIEBERG", President
"ROBERT SCOLNICK", Secretary

CERTIFICATE OF UNDERWRITERS

To the best of our knowledge, information and belief, all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



EQUITABLE SECURITIES CANADA LIMITED

per: "W. N. HOVEY"

J. H. CRANG and COMPANY

per: "ERIC D. SCOTT"



R. A. DALY and COMPANY LIMITED

per: "WILLIAM L. GOLDSMITH"

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of Common stock as of October 26, 1961

Number	Shares
212 Holders of 1— 100 share lots.....	11,709
52 " " 101— 200 " "	8,355
13 " " 201— 300 " "	3,320
2 " " 301— 400 " "	750
4 " " 401— 500 " "	1,950
7 " " 501—1000 " "	5,330
12 " " 1001—up " "	132,495
302 Stockholders	Total shares.....163,909

